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8306-62950

APPLICATION

Honorable James H. Welsh
Commissioner of Conservation
Louisiana Office of Conservation
P.O. Box 94275
Baton Rouge, Louisiana 70804-4275

RE: UL-7 Sand, Reservoir A
Avondale Field
Jefferson Parish, Louisiana

Application is hereby made on behalf of **DOMINION EXPLORATION & PRODUCTION, INC.** for the calling of a public hearing, after thirty (30) days legal notice, to consider evidence relative to the issuance of Orders pertaining to the following matters in the **UL-7 Sand, Reservoir A**, in the Avondale Field, Jefferson Parish, Louisiana, to-wit:

1. To establish rules and regulations and create a single drilling and production unit for the exploration for and production of gas and condensate, such unit to be designated UL-7 RA SUA;
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation;
3. To designate the Dominion Exploration & Production, Inc. - Exxon Fee No. 1 ST-1 Well as the unit well for the proposed unit;

4. To designate Dominion Exploration & Production, Inc. as the unit operator for the proposed unit;
5. To provide that any future substitute or alternate unit wells for the proposed unit should be exempt from the spacing provisions of Statewide Order No. 29-E;
6. To provide that any future wells drilled to the UL-7 Sand outside of the proposed unit should be located in accordance with the spacing provisions of Statewide Order No. 29-E;
7. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation; and
8. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The UL-7 Sand, Reservoir A in the Avondale Field, Jefferson Parish, Louisiana, is hereby defined as that gas and condensate bearing sand encountered between the depths of 10,360 feet and 10,376 feet, electric log measurements, (9,447 feet and 9,463 feet true vertical depth) in the Dominion Exploration & Production, Inc.- Exxon Fee No. 1 ST-1 Well, located in Section 22, Township 13 South, Range 22 East, Jefferson Parish, Louisiana.

A conference to discuss the proposed application and any opposition thereto was held at 10:30 a.m., on May 19, 2004 at the Hyatt Regency, Poydras at Loyola Avenue, New Orleans, LA 70113, (504)561-1234. A list of the parties who attended the pre-application conference is attached. Randall C. Songy, attorney for the applicant, and David Comeaux, geological consultant for the applicant, explained the applicant's proposal and the geological, engineering and other bases therefore, and answered questions. Louis Gilbert, representing Marrero Land Company, presented a counterplan. The parties agreed to have further discussions to resolve their differences. The conference was then adjourned.

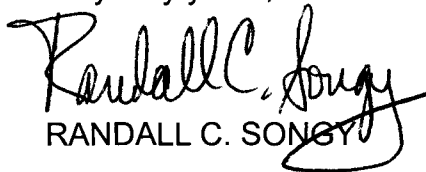
Subsequent discussions between Dominion and Marrero led to a resolution of differences, reflected by the unit plat attached hereto.

Pertinent data relating to the proposed application can be obtained, AT THE COST OF THE REQUESTING PARTY, by contacting **David Comeaux with Leon E. Comeaux & Associates, 305 La Rue France, Lafayette, Louisiana 70508, (337)233-9839.**

There is attached hereto and made a part hereof a plat outlining the proposed unit and a list of the names and addresses of the interested parties to whom this unitization proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed herein is our check in the amount of \$755.00 made payable to the Office of Conservation in payment of the required hearing application fee.

Very truly yours,


RANDALL C. SONGY

RCS/elg/bad

Enclosures

cc: Honorable James H. Welsh
Commissioner of Conservation

Mr. Richard Hudson, District Manager
Office of Conservation

P.S. To all Interested Owners, Represented Parties and Interested Parties:

You may have received this Pre-Application Notice even though your property is not included in the proposed unit, because the Revised Rules of Procedure require us to attempt to also notify everyone owning an interest in the area "proximate to" the proposed units.

Your receipt of this Pre-Application Notice does not require you to take any action. It is meant to notify you of these proceedings so that you have the opportunity to participate if you so desire.

